

CORRECTED FISCAL NOTE

SB 197 - HB 925

April 8, 1997

SUMMARY OF BILL: Authorizes property tax relief payments to any taxpayer 65 years or older, regardless of income level, on the first \$80,000 of market value of the property. Current law provides such relief to those 65 or older on the first \$15,000 of market value if they qualify under the income limit of \$10,550.

ESTIMATED FISCAL IMPACT:

On February 20, 1997 we issued a fiscal note on this bill which indicated that:

The impact of this bill is an increase in state expenditures of \$110,635,000, of which \$330,000 would be administrative expense and \$110,305,000 would be increased relief paid.

Based on additional information provided to us by the Comptroller of the Treasury, the estimated fiscal impact of this bill is:

Increase State Expenditures - \$224,933,800

Assumes administrative expense increase of \$672,800.

Also assumes \$224,261,000 in increased relief paid, based on the following:

- Maximum potential increase in recipients is approximately 340,000.
- Average estimated property tax bill is \$869.66.
- Approximately 75% of those eligible for such relief will actually apply and receive the payments.
- The *maximum* potential increase in relief would be approximately \$299,014,300.
- The administrative expense for the program would be higher if the maximum potential relief were paid.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



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James A. Davenport, Executive Director

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